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2005 APR 15 PM 3:00

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T.R.A. DOCKET ROOM

April 15, 2005

Aster Adams, Chief
Competitive Markets & Policy Division
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243-0505

**Re: Docket No. 05-00066 Approval of Verizon Communications Inc.'s
Acquisition of MCI, Inc. - Response to TRA's Data Request-**

Dear Mr. Adams:

This letter responds to the data request that you sent to Verizon Communications Inc. ("Verizon") and MCI, Inc. ("MCI") (collectively, the "Parties"), by letter dated April 1, 2005, in connection with the Joint Notice that the Parties filed with the Tennessee Regulatory Authority (the "Authority") describing Verizon's proposed acquisition of MCI pursuant to the Agreement and Plan of Merger dated February 14, 2005. The Parties respectfully respond to the data request as follows:

REQUEST NO. 1. Have the petitioners filed similar petitions or notices in other states? If so, provide a listing of states and action taken.

RESPONSE:

MCI, Inc. ("MCI") and Verizon Communications, Inc. ("Verizon") have filed similar petitions or notices in other states. Attached as Exhibit A is a chart which lists the states in which similar petitions or notices have been filed, the date of such filing and action (if any) taken to date upon such filing.

REQUEST NO. 2. Have the petitioners filed a similar petition with the FCC or other federal agency? If so, list any action taken and the associated files(s) or document number(s). If a schedule to complete the review of your petition has been established by any federal agency, provide such with your response.

RESPONSE:

The petitioners have filed an application pursuant to Section 214 of the Communications Act of 1934, as amended, and Section 63.04 of the Federal Communications Commission's Rules for Consent to transfer to Verizon control of domestic Section 214 authority held by MCI and its subsidiaries. This matter is styled: In the Matter of Verizon Communications Inc. and MCI Inc. Applications for Approval of Transfer of Control, WC Docket No 05-75.

The petitioners filed their application with the FCC on March 11, 2005. The FCC issued its Public Notice on March 24, 2005. Pursuant to the Public Notice, comments are due on the Application by May 9, 2005 and Petitioner's Reply Comments are due on May 24, 2005. The FCC's applicable rules call for a decision within 180 days of the submission of an application, but that deadline may be extended.

In February, 2005, Petitioners filed notice of the transaction with the United States Department of Justice and Federal Trade Commission pursuant to 15 U.S.C. § 18a (Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended).

REQUEST NO. 3. Provide the number of customers by class of service that MCI have in Tennessee.

RESPONSE:

The information responsive to this request is proprietary and is being submitted under seal in an envelope marked "Confidential and Proprietary Information." Disclosure of such information to MCI's competitors could harm MCI's commercial interests. Exhibit B is the most recent report filed under seal by MCI with the Tennessee Regulatory Authority ("TRA") regarding local service wireline activity in Tennessee. Exhibit C contains the number of presubscribed residential and presubscribed small business long distance customers in Tennessee as of December 31, 2004.

REQUEST NO. 4. Will all MCI customers in Tennessee be transferred to Verizon?

RESPONSE:

The transaction does not contemplate that any MCI customers in Tennessee will be transferred to Verizon. Verizon and MCI have entered into a transaction that will result in MCI becoming a wholly-owned subsidiary of Verizon. Under the terms of the agreement, a wholly-owned subsidiary of Verizon will merge with and into MCI. MCI will be the surviving corporation, thereby becoming a wholly-owned subsidiary of Verizon.

Following consummation of the transaction, MCI will continue to own the stock of its subsidiaries and MCI and its subsidiaries will continue to hold all of the Tennessee CCNs that they hold prior to the transaction. As such, the transaction does not involve any assignment of MCI's licenses and authorizations, or any change in the licensees that hold such licenses and authorizations, and those companies will continue to provide service to the public. Similarly, the transaction will not result in any assignment of Verizon's existing licenses and authorizations, or any change in the licensees that hold such licenses and authorizations. Those companies also will continue to provide service to the public.

In short, none of the regulated entities in Tennessee or their customers will be affected. There will be no change in service provider and the acquisition will not cause any change in rates, terms and conditions. Should there be any post-merger changes or reorganizations, the TRA would exercise the same authority over those transactions as it does today.

REQUEST NO. 5. What telecommunication services will MCI continue to provide under its current CCN in Tennessee after the transfer?

RESPONSE:

See response to Request No. 4.

REQUEST NO. 6. Consistent with TRA Rule 1220-4-2-.56(2)(d), provide a current customer notice or letter informing customers of the change in ownership and/or operating authority.

RESPONSE:

See response to Request No. 4. Further answering, as set forth in a response to request No. 4, pursuant to the transaction as currently contemplated, MCI operating subsidiaries will continue to provide service to its customers. The petitioners, however, recognize their customer notice obligations pursuant to the relevant Tennessee Regulatory Authority rules, and shall abide by such notice requirements in the event that any changes to the contemplated transaction occur.

REQUEST NO. 7. Verify all current CCNs issued with the Authority, and provide copies of all current business licenses of MCI filed with the Tennessee Secretary of State's office.

RESPONSE:

The relevant MCI business licenses are provided herewith and labeled MCI/TN7:00001-00005. The CCNs with the state of Tennessee are described as follows:

MCImetro Access Transmission Services LLC – granted certificate to conduct business as Competing Telecom Service Provider and to provide a full range of telecom services, which includes intrastate private line services, telecom access services, switched local exchange and carrier access services (may not provide local exchange and exchange access in areas within the state served by an incumbent LEC with fewer than 100,000 lines) via Docket No. 9308793. MCImetro Access Transmission Services, Inc. reorganized and name changed to MCImetro Access Transmission Services LLC, and the TRA was so advised by notice letter of July 2, 1998.

MCI WorldCom Communications, Inc. – Original authority granted via Docket No. 97-01361 which granted WorldCom Technologies, Inc. ("WTI") certificate to provide a switched and dedicated long distance, local service, 800 services, calling cards, private line, and operator services. WTI changed its name to MCI WorldCom Communications, Inc. in Docket No. 99-00433 via an intercompany reorganization. MCIW Communications local exchange authority was placed in "dormant" status via Docket No. 03-005235 (via an intercompany consolidation and reorganization).

MCI WorldCom Network Services, Inc. – Original authority granted via Docket No. U-84-7311 which granted MCI Telecommunications Corporation ("MCIT") certificate to provide

interexchange telecom services. MCIT changed name to MCI WorldCom Network Services, Inc. in Docket No. 99-00433 via an intercompany reorganization.

SouthernNet, Inc. d/b/a/ Telecom USA – Granted authority to provide resold interexchange telecom services and to provide operator services via Docket No. 95-03311.

TTI National, Inc. – Granted authority to provide resold interexchange telecom services and to provide operator services via Docket No. 96-01000.

REQUEST NO. 8. Confirm that petitioners will continue to operate under their present CCNs issued by the Authority and business licenses as filed with the Tennessee Secretary of State's Office.

RESPONSE:

See response to Request No. 4.

REQUEST NO. 9. Explain what are current and future plans for existing MCI residential and business customers in Tennessee.

RESPONSE:

See response to Request No. 4. MCI's local and long distance consumer business is experiencing irreversible decline because of market, technological and regulatory changes that have reshaped the telecommunications industry. As the TRA is well aware, these changes include competition from cable telephone, wireless, VoIP, and instant messaging; competition from the Regional Bell Operating Companies and other carriers; customer preference for all-distance service; regulatory changes that are eliminating UNE-P under section 251(c)(3) of the Telecommunications Act of 1996; and restrictions on marketing resulting from "Do Not Call" legislation. Given these circumstances, MCI's plan going forward is to manage the decline of its consumer local and long distance business.

With respect to enterprise business customers, MCI's current plans call for it to remain a primary provider of large enterprise services and IP-based services, providing a global long-distance and data network and top-of-the-line Internet backbone. Post-merger, enterprise customers will benefit from the creation a strong new competitor with the network reach and financial resources to compete in this technologically intensive and highly competitive market segment.

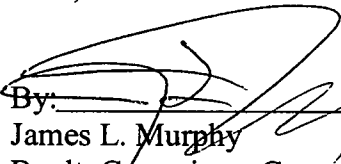
REQUEST NO. 10. Provide pre- and post-merger organization charts.

RESPONSE:

The pre-merger organization chart is provided as a document labeled MCI/TN10:0001. MCI has not prepared post-merger organization charts. Verizon's pre-merger organization chart is provided, dated as of March 7, 2005. Verizon has not prepared post-merger organization charts.

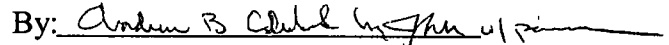
Respectfully submitted,

MCI, INC.

By: 
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VERIZON COMMUNICATIONS INC.

By: 
Andrew B. Clubok
Kirkland & Ellis LLP
655 Fifteenth Street, N.W.
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Washington, DC 20005
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Vice President and Associate General Counsel
Verizon Corporate Services Corp.
1515 North Courthouse Road, Suite 500
Arlington, VA 22201
(703) 351-3011 (phone)
(703) 351-3655 (fax)

Enclosure

cc: State Attorney General (By Overnight Delivery)

Exhibit A

Tennessee Regulatory Authority Data Request No. 1

Petitions and/or Notices have been filed in the following states:

Alaska	New Hampshire
Connecticut	New Jersey
Delaware	New York
District of Columbia	North Carolina
Georgia	North Dakota
Louisiana	Oklahoma
Maine	Pennsylvania
Maryland	Rhode Island
Massachusetts	South Dakota
Michigan	Tennessee
Minnesota	Utah
Missouri	Vermont
Montana	Virginia
Nebraska	West Virginia
Nevada	Wyoming

Delaware approved the transaction on April 7, 2005.

The Georgia PSC approved Staff's recommendation recognizing the Commission's limited jurisdiction over the merger, that there is no action to be taken by the Commission, and reserves its right to assert jurisdiction over whatever may be appropriate in the future. See attached letter order

The Nebraska PSC notified Verizon that an application for approval is not required. It only asked that it be notified when the transaction is completed and be made aware of administrative issues (change of local personnel or address changes).

In Nevada, neither Staff nor the Consumer's Advocate filed a request for an order requiring Verizon and MCI to file an application for authorization of the transaction. The Staff has recommended the case be closed.

The Maryland Public Service Commission has reviewed the transaction and determined that no action is necessary

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APR 11 2005

DEBORAH K. FLANNAGAN
EXECUTIVE DIRECTORREECE McALISTER
EXECUTIVE SECRETARYCOMMISSIONERS:
ANGELA ELIZABETH SPEIR, CHAIRMAN
ROBERT B. BAKER, JR.
DAVID L. BURGESS
J. DOUG EVERETT
TAN WISEGeorgia Public Service Commission
G.P.S.C.244 WASHINGTON STREET, S.W.
ATLANTA, GEORGIA 30334-5701(404) 656-4501
(404) 282-5813FAX: (404) 656-2341
www.psc.state.ga.us**LETTER ORDER**

Docket No. 20322-U

April 8, 2005

DOCKET #	20322
DOCUMENT #	81526

Andrew B. Clubok
Kirkland & Ellis LLP
655 Fifteenth Street, N.W.
Suite 1200
Washington D.C. 20005

Re: Consideration of the Plan Merger of MCI, Inc by Verizon Communications Inc.

Dear Mr. Clubok:

On March 7, 2005, Verizon Communications Inc. ("Verizon") and MCI, Inc. ("MCI") jointly filed with the Georgia Public Service Commission ("Commission") a notice informing the Commission of an Agreement and Plan of Merger between Verizon and MCI, Inc.

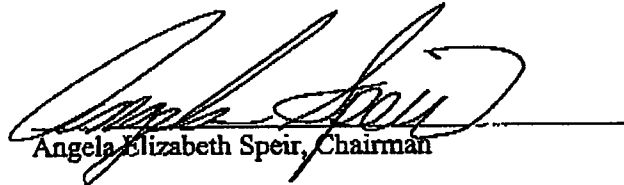
The Georgia Public Service Commission, based on the nature of this transaction, has limited authority as to its overall approval of this merger/acquisition. Pursuant to the terms of your notice, the Commission understands that the subject transaction is taking place at the parent company level and that the Verizon and MCI companies currently holding certificates and authorities in Georgia will remain unaffected. Since the merger/acquisition will not change the capital structure or require the issuance of any new debt by any of the Georgia regulated companies, the Commission's approval of the merger/acquisition is not required. Commission approval would be required only if a regulated subsidiary's capital structure is changed or if any such regulated subsidiary pledges or otherwise encumbers its assets. Further, no certificates will need to be transferred or amended since the Commission understands that the merger/acquisition will not result in a change in the corporate identity of any Verizon or MCI subsidiary operating under Georgia authority.

Andrew B. Clubok
Docket No. 20322-U
April 8, 2005
Page 2

As set out above, the merger/acquisition will be transparent to the Commission and Georgia ratepayers, no certificates need to be amended and no further Commission filings or approvals are required.

During its Administration Session of April 5, 2005, the Commission considered the above-referenced item and found it to be reasonable and proper. The Commission also found that it was appropriate without the need for a hearing in this matter. Limited approval of this transaction is expressly based on the representation contained in the notification filed March 7, 2005. The Commission reserves the right to revisit this matter and issue any further orders as it may deem necessary.

GEORGIA PUBLIC SERVICE COMMISSION



Angela Elizabeth Speir, Chairman

AES/MR/rp

CC: Charles B. Jones
R-0493, L-053, R-0321, P-038, A-0153, L-0116, L-003, L-001, X-818, A-090, 5M-0619



Secretary of State

Business Name Availability Search

Secretary of State's Office

Instructions

Name	I.D. Number
MCIMETRO ACCESS TRANSMISSION SERVICES LLC	0352495

Business Type*:	LIMITED LIABILITY COMPANY
Profit/Nonprofit:	FOR PROFIT
Status*:	ACTIVE
Date of Formation/Qualification:	06/12/1998
Domestic/Foreign:	FOREIGN
Place of Incorporation/Organization:	DE
Duration:	PERPETUAL
FYC(Fiscal Year Closing) Month:	DECEMBER

Principal Office:

Address Line 1:	22001 LOUDOUN COUNTY
Address Line 2:	PKWY
City:	ASHBURN
State:	VA
Zip:	20147
Other than USA:	

Registered Agent:

Name:	CORPORATION SERVICECOMPANY
Address Line 1:	2908 POSTON AVENUE
Address Line 2:	
City:	NASHVILLE
State:	TN
Zip:	37203

Business Filing History

* Important Note: Business filing History includes information about all the names for an entity that is active or the current true name and filing status of a business with an assumed name or a changed status.

Note: This information is current as of three working days prior to today's date

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EE-IR:TN1

MCI/TN7:00001



Secretary of State Business Information Search

[Secretary of State Web Site](#)[Instructions](#)

Name	I.D. Number
MCI WORLDCOM COMMUNICATIONS, INC	0334092

Business Type:	CORPORATION
Profit/Nonprofit:	FOR PROFIT
Status:	ACTIVE
Date of Formation/Qualification:	07/11/1997
Domestic/Foreign:	FOREIGN
Place of Incorporation/Organization:	DE
Duration:	PERPETUAL
FYC(Fiscal Year Closing) Month:	DECEMBER

Principal Office:**Address Line 1:** 1133 19TH STREET NW**Address Line 2:****City:** WASHINGTON**State:** DC**Zip:** 20036**Other than USA:****Registered Agent:****Name:** CORPORATION SERVICECOMPANY**Address Line 1:** 2908 POSTON AVENUE**Address Line 2:****City:** NASHVILLE**State:** TN**Zip:** 37203**Business Filing History**

* Important Note. Business filing History includes information about (1) the basis for an inactive status and (2) the current true name and filing status of a business with an assumed name or a changed status

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EE-IR:TN1

MCI/TN7:00002

Secretary of State Business Information Search

[Home](#)[Instructions](#)

Name	I.D. Number
MCI WORLDCOM NETWORK SERVICES, INC	0039370

Business Type⁺:	CORPORATION
Profit/Nonprofit:	FOR PROFIT
Status⁺:	ACTIVE
Date of Formation/Qualification:	03/02/1973
Domestic/Foreign:	FOREIGN
Place of Incorporation/Organization:	DE
Duration:	PERPETUAL
FYC(Fiscal Year Closing) Month:	DECEMBER

Principal Office:**Address Line 1:** 1133 19TH STREET NW**Address Line 2:****City:** WASHINGTON**State:** DC**Zip:** 20036**Other than USA:****Registered Agent:****Name:** THE PRENTICE-HALL CORPORATION SYSTEM INC**Address Line 1:** 2908 POSTON AVENUE**Address Line 2:****City:** NASHVILLE**State:** TN**Zip:** 37203**Business Filing History**


⁺ Important Note: Business filing History includes information about (1) the basis for an inactive status and (2) the current true name and filing status of a business with an assumed name or a changed status

Note: This information is current as of three working days prior to today's date

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EE-IR:TN1

MCI/TN7:00003



Secretary of State Business Information Search

Secretary of State View Site

Instructions

Name
SOUTHERNNET, INC**I.D. Number**
0133751

Business Type*: CORPORATION
Profit/Nonprofit: FOR PROFIT
Status*: ACTIVE
Date of Formation/Qualification: 10/06/1983
Domestic/Foreign: FOREIGN
Place of Incorporation/Organization: GA
Duration: PERPETUAL
FYC(Fiscal Year Closing) Month: DECEMBER

Principal Office:

Address Line 1: 1133 19TH STREET NW
Address Line 2:
City: WASHINGTON
State: DC
Zip: 20036

Other than USA:**Registered Agent:**

Name: THE PRENTICE-HALL CORPORATION SYSTEM INC
Address Line 1: 2908 POSTON AVENUE
Address Line 2:
City: NASHVILLE
State: TN
Zip: 37203

Business Filing History

* Important Note: Business filing History includes information about (1) the basis for an inactive status and (2) the current true name and filing status of a business with an assumed name or a changed status.

Note: This information is current as of three working days prior to today's date

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EE-IR:TN1

MCI/TN7:00004

Secretary of State Business Information Search

Secretary of State web site

Instructions

Name
TTI NATIONAL, INC

I.D. Number
0313025

Business Type*: CORPORATION
Profit/Nonprofit: FOR PROFIT
Status : ACTIVE
Date of Formation/Qualification: 06/05/1996
Domestic/Foreign: FOREIGN
Place of Incorporation/Organization: DE
Duration: PERPETUAL
FYC(Fiscal Year Closing) Month: DECEMBER

Principal Office:

Address Line 1: 1133 19TH ST NW

Address Line 2:

City: WASHINGTON

State: DC

Zip: 20036

Other than USA:

Registered Agent:

Name: CORPORATION SERVICECOMPANY

Address Line 1: 2908 POSTON AVENUE

Address Line 2:

City: NASHVILLE

State: TN

Zip: 37203

Business Filing History

* Important Note: Business filing history includes information about (1) the basis for an inactive status and (2) the current true name and filing status of a business with an assumed name or a changed status.

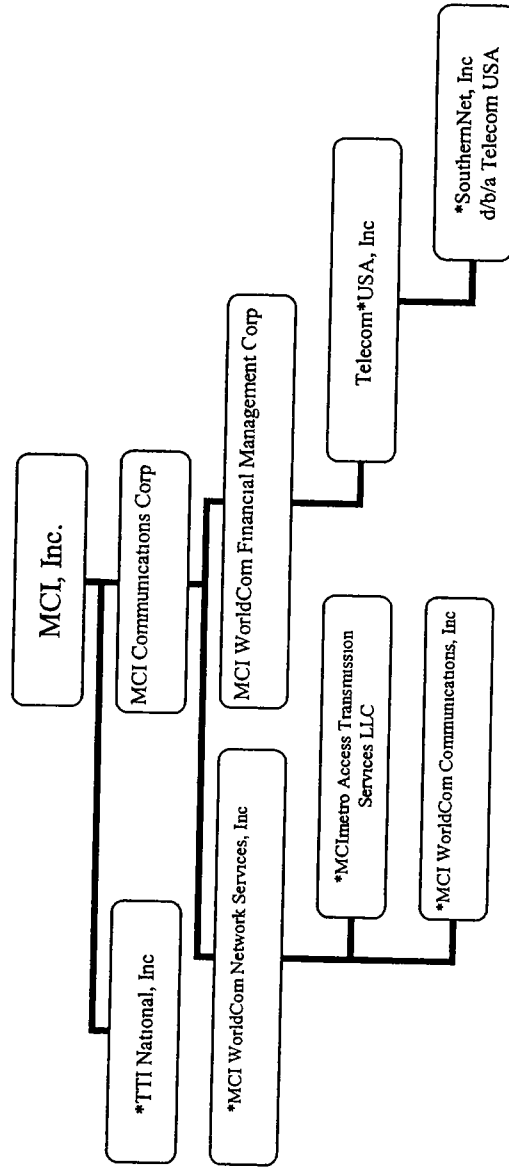
Note: This information is current as of three working days prior to today's date.

Search Again

EE-IR:TN1

MCI/TN7:00005

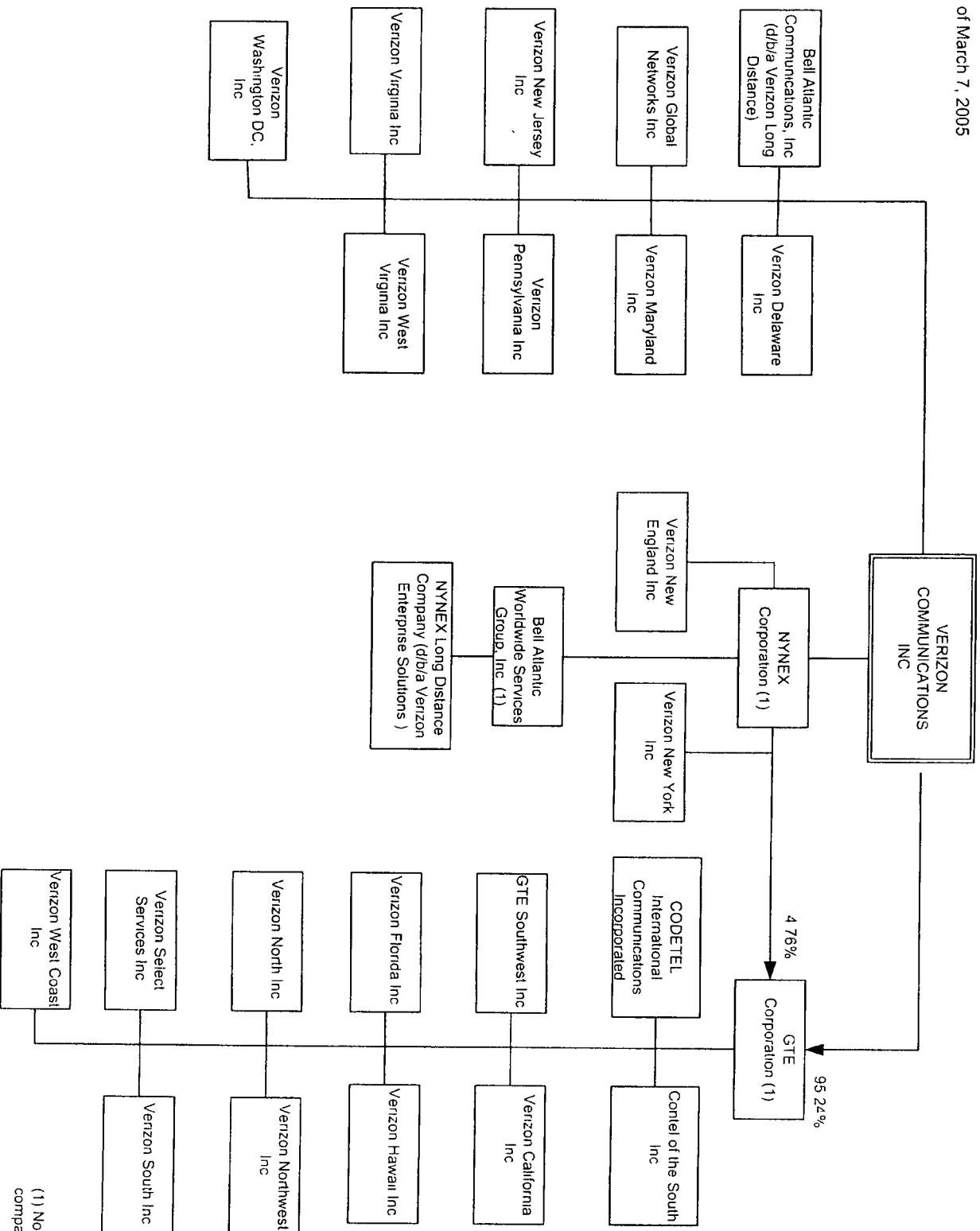
TENNESSEE



*Denotes entities regulated by commission



as of March 7, 2005



(1) Not an operating company